BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Establish Policies and Cost Recovery Mechanisms for Generation Procurement and Renewable Resource Development.

Rulemaking 01-10-024 (Filed October 25, 2001)

ADMINISTRATIVE LAW JUDGE'S RULING ON DEPARTMENT OF WATER RESOURCES' REQUEST TO MODIFY DECISION 02-09-053

On January 7, 2003, the Department of Water Resources (DWR) submitted a memorandum to Commission President Peevey requesting that the Commission consider modifying Decision (D.) 02-09-053. DWR has entered into certain agreements among DWR and Madera Power, LLC, Dinuba Energy, Inc., Sierra Pacific Industries (Sonora), and Sierra Power Corporation (Terra Bella). These facilities are biomass facilities and DWR asserts that the extension of these agreements will provide continued supply of 48 MW of additional capacity and energy to California's energy portfolio. DWR asks that the Commission modify D.02-09-053 to allocate these contracts among Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company.

This memorandum was served electronically to the service list to this proceeding. On January 15, 2003, DWR submitted a corrected table in connection with its January 7, 2003 memorandum. The table was corrected to reflect the capacity of Sierra Pacific Industries (Sonora) as 5 MW instead of 3 MW as shown in the initial submission.

139646 - 1 -

R.01-10-024 JMH/hkr

The memorandum and revised table are attached to this ruling. By this ruling, I am treating DWR's request as a petition to modify D.02-09-053. Pursuant to Rule 47(f), I ask that parties file and serve responses to DWR's request by January 27, 2003. Should DWR wish to submit a reply to the responses, it must do so by January 31, 2003.

IT IS RULED that:

- 1. The January 7, 2003 memorandum submitted by the Department of Water Resources (DWR) shall be treated as a petition to modify Decision 02-09-053.
- 2. Parties that wish to file and serve comments on DWR's request shall do so by January 27, 2003. If DWR wishes to submit a reply, it must do so by January 31, 2003 and must serve all parties to the service list, as well as the assigned Administrative Law Judge. If DWR modifies its request in any way, parties will receive an additional opportunity to respond.

Dated January 17, 2003, at San Francisco, California.

/s/ ANGELA K. MINKIN for
Julie Halligan
Administrative Law Judge

ATTACHMENT A

Table A Allocation of Four Biomass Contracts

Facility Name	Location	Capacity (MW)	Delivery Rate (MW)	Delivery Point	Contract Price (\$)
Madera Power, LLC	Firebaugh, CA	29	25	NP15	\$65.00
Dinuba Energy, Inc	Reedley, CA	11	11	NP15	\$65.00
Sierra Pacific Industries	Sonora, CA	5	5	NP15	\$52.75
Sierra Power Corporation	Terra Bella, CA	9	7	SP15	\$65.00

(END OF ATTACHMENT A)

ATTACHMENT B MEMORANDUM

(END OF ATTACHMENT B)

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Ruling on Department of Water Resources' Request to Modify Decision 02-09-053 on all parties of record in this proceeding or their attorneys of record.

Dated January 17, 2003, at San Francisco, California.

/s/ KE HUANG Ke Huang

NOTICE

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to ensure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

Halligan's Attachment B to Ruling